

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2884 - HB 3172

February 26, 2010

SUMMARY OF BILL: Requires the Department of Children's Services to give written notice to the House Health and Human Resources and the Senate General Welfare, Health, and Human Resources Committees at least 60 days prior to the next legislative session of its intent to propose legislation that will authorize the permanent or partial closure of any state-owned or operated facility that provides child protection services observation and assessment services. Prohibits such facilities that have been funded in one fiscal year from being closed in the same fiscal year. Authorizes DCS to close these facilities at any time after the effect date of the passed legislation or with a specific line item appropriation for that purpose in the annual appropriations act. Authorizes DCS to seek relief from these requirements in a chancery court if a safety or health emergency exists. Authorizes any aggrieved person or other interested parties to challenge the decision to close a facility in a hearing in the chancery court in which the facility is located or in Davidson County chancery court. Authorizes such individuals to be awarded compensatory damages and attorney fees. Prohibits punitive damages from being awarded.

Requires a court hearing to consider the estimated timeline for the facility's closure, the type and array of available community-based services for individuals needing observation and assessment, the responsibilities of state and local government, the process used to transfer ownership or state's plan to reuse the facility, and other issues identified by the aggrieved person, DCS, or other interested parties.

Requires DCS to provide notice within ten days of July 1 for facilities that DCS has announced plans for closure prior to July 1, 2010, that are not closing pursuant to a federal court order or settlement. Requires DCS to delay closure proceedings until all proceedings or hearings under this bill have been completed.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,277,600

Assumptions:

- According to DCS, the Department intends to close the Johnson City Observation and Assessment Center in FY10-11. This Center currently houses approximately four individuals and the Department intends to merge this population with another DCS boys' home in Johnson City.

SB 2884 - HB 3172

- According to DCS, the proposed FY10-11 budget for community treatment facilities does not include funding for this Center. DCS estimates that the recurring cost to keep the Center open is \$1,227,600. This is a pre-custodial facility and is not eligible for any federal reimbursement.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/msg